

STATE OF NEW HAMPSHIRE
INFORMATION STATEMENT SUPPLEMENT
DATED MARCH 27, 2003

The following information is provided by the State to supplement the information contained in the State's most recent Information Statement dated January 29, 2003 (the "Information Statement"). The Information is available on the New Hampshire Treasury Department website as the document entitled "State of New Hampshire Information Statement – 01/29/2003" at <http://www.state.nh.us/treasury/Divisions/DM/DMdocs.htm>. The headings set forth below correspond to the same headings in the Information Statement. This Information Statement Supplement (the "Supplement") only sets forth additional information concerning the matters described below as of the date of this Supplement and is subject to change without notice.

STATE FINANCES

Fiscal Year 2003 Budget

Revenues. The following table compares on a cash basis, for the eight months ended February 28, 2003, General Fund and Education Fund unrestricted revenues for the fiscal years 2002 and 2003 and a comparison to the revenue estimates for fiscal year 2003. The revenue estimates reflected in the plan are based on those revenues defined in Chapter 130, Laws of 2001, the State budget law for Fiscal Year 2003. Due to the combined filing of the business profits tax and business enterprise tax, it is not possible to measure accurately the individual effects of each of these taxes. They should be evaluated in their entirety. All information in this table is preliminary and unaudited.

**GENERAL FUND AND EDUCATION FUND UNRESTRICTED REVENUES
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2003
(Cash Basis-In Millions)**

Revenue Category	FY02 Actual	FY03 Actual	FY03 Plan	FY03 vs Plan		FY03 vs FY02	
				Variance	%Change	Variance	%Change
Business Profits Tax	\$61.2	\$70.0	\$117.9	\$(47.9)	(40.6)%	\$8.8	14.4%
Business Enterprise Tax	<u>115.8</u>	<u>113.2</u>	<u>87.1</u>	<u>26.1</u>	<u>30.0</u>	<u>(2.6)</u>	<u>(2.2)</u>
Subtotal	177.0	183.2	205.0	(21.8)	(10.6)	6.2	3.5
Meals & Rooms Tax	119.4	123.8	135.2	(11.4)	(8.4)	4.4	3.7
Tobacco Tax	57.5	61.9	56.8	5.1	(9.0)	4.4	7.7
Liquor Sales and Distribution	66.5	69.9	67.1	2.8	4.2	3.4	5.1
Interest & Dividends Tax	33.2	26.5	32.7	(6.2)	(19.0)	(6.7)	(20.2)
Insurance Tax	40.7	43.1	29.8	13.3	44.6	2.4	5.9
Communications Tax	40.5	41.9	47.4	(5.5)	(11.6)	1.4	3.5
Real Estate Transfer Tax	66.9	85.7	68.2	17.5	25.7	18.8	28.1
Estate and Legacy Tax	43.8	36.0	36.6	(0.6)	(1.6)	(7.8)	(17.8)
Transfers from Sweepstakes	42.9	39.4	38.5	0.9	2.3	(3.5)	(8.2)
Tobacco Settlement	10.3	11.2	11.0	0.2	1.8	0.9	8.7
Utility Property Tax	9.8	9.3	10.2	(0.9)	(8.8)	(0.5)	(5.1)
Property Tax Not Retained Locally	0.3	0.2	-	0.2	100.0	(0.1)	(33.3)
Property Tax Retained Locally	-	-	-	-	-	-	-
Other	<u>80.0</u>	<u>82.5</u>	<u>79.6</u>	<u>2.9</u>	<u>3.6</u>	<u>2.5</u>	<u>3.1</u>
Subtotal	788.8	814.6	818.1	(3.5)	(0.4)	25.8	3.3
Net Medicaid Enhancement Revenues	<u>82.5</u>	<u>87.8</u>	<u>84.8</u>	<u>3.0</u>	<u>3.5</u>	<u>5.3</u>	<u>6.4</u>
Subtotal	871.3	902.4	902.9	(0.5)	(0.1)	31.1	3.6
Other Medicaid Enhancement Revenues to Fund Net Appropriations	<u>10.1</u>	<u>10.1</u>	<u>10.1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0</u>
Total	<u>\$881.4</u>	<u>\$912.5</u>	<u>\$913.0</u>	<u>\$(0.5)</u>	<u>(0.1)%</u>	<u>\$31.1</u>	<u>3.5%</u>

Cash Flow Projection

Attached as Exhibit A hereto is a cash flow statement for the State for Fiscal Year 2003. The proceeds of the State's \$75,000,000 Revenue Anticipation Notes, 2003 Series A, dated March 31, 2003 will be applied to a portion of the projected deficit at the end of March, 2003. The balance of the deficit is expected to be funded with interfund borrowings, primarily from the Highway Fund.

THE STATE OF NEW HAMPSHIRE

Exhibit A

State of New Hampshire
General + Education + Liquor + Fish and Game Funds
Cash Flow Projections FY 2003
(in thousands)

	ACTUAL								PROJECTED					TOTAL
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	13	
Operating Revenues														
Unrestricted Revenue	96,112	117,616	183,858	187,340	103,691	180,869	128,327	92,085	208,921	225,268	100,891	196,886	1,050	1,822,914
Restricted Revenue	131,282	62,224	85,822	293,940	71,561	80,883	176,960	83,143	97,050	155,914	80,490	81,015	13,964	1,414,248
Total Revenue	227,394	179,840	269,680	481,280	175,252	261,752	305,287	175,228	305,971	381,182	181,381	277,901	15,014	3,237,162
Expenditures														
Salaries & Benefits	47,663	54,058	49,963	51,545	67,065	53,487	49,340	50,345	49,986	49,848	69,299	49,766	0	642,365
Welfare	68,614	80,779	68,066	71,841	88,550	67,438	80,052	83,253	80,000	91,634	80,000	80,000	101	940,328
Grants & Subsidies	114,568	111,494	47,418	22,705	22,608	226,112	28,812	30,082	159,135	29,183	31,951	19,387	0	843,455
Debt Service	15,573	6,626	22,948	11,388	14,327	1,446	1,166	1,086	1,300	2,663	1,920	2,102	0	82,545
Capital Expenditures	1,652	4,866	2,003	2,849	1,880	2,464	5,328	6,023	8,025	2,058	2,218	3,440	1	42,807
Inter-Agency Grants	28	16	0	5	97	0	0	152	0	17	0	83,090	2	83,407
Other	44,981	49,223	49,310	200,589	48,949	41,191	59,287	47,036	44,401	52,255	34,043	44,984	4,713	720,962
Total Expenditures	293,079	307,062	239,708	360,922	243,476	392,138	223,985	217,977	342,847	227,658	219,431	282,769	4,817	3,355,869
Incr (Decr) in A/P	5,260	(1,748)	24,971	(26,059)	(260)	17,836	(12,038)	(412)	0	0	0	0	0	7,550
Total Cash Uses	287,819	308,810	214,737	386,981	243,736	374,302	236,023	218,389	342,847	227,658	219,431	282,769	4,817	3,348,319
Net Cash Provided by Operations	(60,425)	(128,970)	54,943	94,299	(68,484)	(112,550)	69,264	(43,161)	(36,876)	153,524	(38,050)	(4,868)	10,197	(111,157)
Other Sources (Uses)														
Transfer In	18,332	16,684	0	0	0	25,026	0	0	25,026	0	0	0	75,307	160,375
Transfer Out	(16,684)	(16,684)	0	0	0	(25,026)	0	0	(25,026)	0	0	0	(75,303)	(158,723)
Bond Issue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	(7,320)	3,340	(1,052)	(5,918)	(281)	6,295	(2,381)	326	0	0	0	0	0	(6,991)
Total Other	(5,672)	3,340	(1,052)	(5,918)	(281)	6,295	(2,381)	326	0	0	0	0	4	(5,339)
Net Incr (Decr) in Cash	(66,097)	(125,630)	53,891	88,381	(68,765)	(106,255)	66,883	(42,835)	(36,876)	153,524	(38,050)	(4,868)	10,201	(116,496)
Cash - Beginning	178,285	112,188	(13,442)	40,449	128,830	60,065	(46,190)	20,693	(22,142)	(59,018)	94,506	56,456	51,588	178,285
Cash - Ending	112,188	(13,442)	40,449	128,830	60,065	(46,190)	20,693	(22,142)	(59,018)	94,506	56,456	51,588	61,789	61,789
Cash Unavailable	97,339	104,175	98,024	98,037	95,016	80,410	87,777	82,320	82,320	82,320	82,320	82,320	82,320	82,320
Cash Available	14,849	(117,617)	(57,575)	30,793	(34,951)	(126,600)	(67,084)	(104,462)	(141,338)	12,186	(25,864)	(30,732)	(20,531)	(20,531)